GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Municipal Administration & Urban Development (Capital Region Development Authority) Department - Approval of draft General Power of Attorney to be issued by Andhra Pradesh Capital Region Development Authority(APCRDA) to Amaravati Development Partners Private Limited (ADP) on behalf of Government of Andhra Pradesh, pursuant to signing of Concession and Development Agreement (CADA) that was approved by Government for development of 6.84 sq.km. of Start-Up Area in Amaravati – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (CRDA.2) DEPARTMENT

G.O.MS.No. 168 **Dated: 23-05-2018**

Read the following:

1. G.O.Rt.No.266 Municipal Administration & Urban Development (Capital Region Development Authority) Department, dt.06.05.2016
2. G.O.Ms.No.170, Municipal Administration & Urban Development (Capital Region Development Authority) Department, dt.04.07.2016.
3. G.O.Ms.No.1, Municipal Administration & Urban Development (Capital Region Development Authority) Department, dt.02.01.2017.
4. G.O.Ms.No.179, Municipal Administration & Urban Development (Capital Region Development Authority) Department, dt.08.05.2017.
5. G.O.Ms.No.84, Municipal Administration & Urban Development (Capital Region Development Authority) Department, dt.26.02.2018.
6. From the Commissioner, APCRDA, Lr.No.CRDA-14024(34)/117/2016-Part(8), Dt.27.03.2018.

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O R D E R :

In the G.O. 1st read above, a High Powered Committee was constituted to study the Swiss Challenge proposal in the overall interest of the State and Development of Amaravati in the backdrop of Greenfield Development.

2. In the G.O. 2nd read above, orders were issued approving various features to be meticulously followed in finalizing the revised Swiss Challenge Proposal and subsequent addendums, report of High Powered Committee (HPC), concessions /support /incentives sought by the Singapore Consortium (Original Project Proponent-OPP).

3. In the G.O. 3rd read above, orders were issued approving the "Revised Swiss Challenge Proposal as submitted by Original Project Proponent(OPP) and as negotiated by High Power Committee (HPC) including Business Plan, Concession Agreement and Development Agreement (CADA), Shareholders Agreement (SHA) and the resulting addendums, in the capacity of Competent Authority in terms of Andhra Pradesh Infrastructure Development Enabling (APIDE)(Amendment) Ordinance 2016. Further, directed the Commissioner, APCRDA, to invite counter challenging proposals on behalf of the Government for the Government approved Original Project Proponent's (OPP) proposal through a fresh International competitive bidding under Swiss Challenge approach under Andhra Pradesh Infrastructure Development Enabling (Amendment) Ordinance 2016, and to form a Tender Evaluation Committee for evaluating the tender documents and report the outcome of the Tender to the Government.

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The Commissioner, APCRDA, Vijayawada, was authorized to form a Technical Committee, approve the eligibility criteria recommended by the Technical Committee to be included in the Tender Documents and approve the Tender Documents finalized and recommended by the Technical Committee.

4. In the G.O. 4th read above, orders were issued accepting enhanced revenue share offer submitted by the Singapore Consortium (Original Project Proponent)(OPP), and the recommendations of the High Powered Committee (HPC), remarks thereon by various departments and keeping in view the larger interest and long term objectives of state, approved the following:-

(a) recommendations of the High Powered Committee for acceptance of the revenue share offered by the Original Project Proponent (OPP) (5% in Phase-I, 7.5% in Phase-II, and 12% in Phase-III) of the gross sales revenue as per Concession and Development Agreement (CADA) and its amendments in the overall interest of development of Amaravati, as a Green Field City in terms of attracting investments, being global destination of the people, creating jobs and employment opportunities, share of taxes to the Government and benefits from accelerated land price appreciation to Government as well as to the farmers.

(b) Commissioner, Andhra Pradesh Capital Region Development Authority (APCRDA), was directed to issue the letter of award to the OPP and enter Concession and Development Agreement after duly incorporating the addendums, with the OPP and the Chairperson & Managing Director, Amaravati Development Corporation(ADC), was directed to sign shareholder agreement with Original Project Proponent(OPP) to form Amaravati Development Corporation.

(c) Equity of Amaravati Development Corporation(ADC), in the Amaravati Development Partner Private Limited(ADP), shall not be diluted without prior approval of the Government.

And also, directed the Commissioner, APCRDA and Chairperson & Managing Director, Amaravati Development Corporation (ADC) to take further necessary actions as under:

(d) Commissioner, Andhra Pradesh Capital Region Development Authority (APCRDA), to issue Letter of Award (LoA) to the Singapore Consortium Original Project Proponent (OPP) comprising of M/s. Ascendas - Singbridge Pte. Ltd. and M/s.Sembcorp Development Ltd.

(e) Commissioner, Andhra Pradesh Capital Region Development Authority (APCRDA), to sign the Concession and Development Agreement (CADA) after duly incorporating the addendums approved in the G.O 3rd read above with Original Project Proponent(OPP) and initiate necessary actions as per the provisions of the Concession and Development Agreement (CADA).

(f) Chairperson & Managing Director, Amaravati Development Corporation, to sign the Shareholders Agreement (SHA) after duly incorporating the addendums approved in the G.O 3rd read above to form ADP and initiate necessary actions as per the provisions of the Shareholders Agreement (SHA).

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(g) Chairperson & Managing Director, Amaravati Development Corporation to ensure that the equity of Amaravati Development Corporation in the Amaravati Development Partners Private Limited (ADP) shall not be diluted without prior approval of the Government.

5. In the reference 5th read above, orders were issued by approving the following:-

a) Execution of Draft Concession and Development Agreement (CADA), execution of Draft Shareholders Agreement (SHA)., the Memorandum of Association of Amaravati Development Partners Private Limited(ADP)., the Articles of Association of Amaravati Development Partners Private Limited(ADP).

(b) Signing of Concession and Development Agreement(CADA) by Andhra Pradesh Capital Region Development Authority (APCRDA) on behalf of the Government with SAIH (Singapore Amaravati Investment Holdings Pte. Ltd.) which is directly or indirectly wholly owned Joint Venture Company of the Singapore Consortium instead of Singapore Consortium Original Project Proponent (OPP) for development of 6.84 Sq. kms., of Start-up area of Amaravati.

(c) Incorporate Amaravati Development Partners (ADP) with Memorandum of Association (MoA) and Articles of Association (AoA) without incorporating the terms of Share Holders Agreement.

(d) Signing of Share Holders Agreement to be entered into by and between Amaravati Development Corporation Limited (ADCL), Amaravati Development Partners (ADP) and Singapore Amaravati Investment Holdings Pte. Limited.

(e) Approval for the ownership Structure of all direct or indirect wholly subsidiaries of the promoters relating to the project with a commitment given by the Promoters to remain committed under Clause 3.3A of the CADA regardless of any change to the Structure.

6. In the letter 6th read above, the Commissioner, Andhra Pradesh Capital Region Development Authority (APCRDA) has furnished the draft form of General Power of Attorney, and informed that the Power Attorney is part of terms of CADA, which is irrevocable and unconditional as per the Clauses 4.3 and Clause 6(xxi) of CADA. The CADA has been approved by the Government vide reference 5th above. The Commissioner, APCRDA has requested the Government to examine the draft General Power of Attorney and issue appropriate orders on approval of draft General Power of Attorney.

7. Government after careful examination in the matter hereby approve the draft General Power of Attorney to be issued by Andhra Pradesh Capital Region Development Authority (APCRDA) to Amaravati Development Partners Private Limited (ADP) on behalf of Government of Andhra Pradesh, pursuant to signing of Concession and Development Agreement (CADA) that was approved by Government for development of 6.84 sq.km. of Start-Up Area in Amaravati.

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8. Government also approve that "reasonable time" for the purpose of equity dilution in "Shareholders Agreement" (SHA) shall be 60 days.

9. The Commissioner, Andhra Pradesh Capital Region Development Authority (APCRDA), Vijayawada and the Chairperson & Managing Director, Amaravati Development Corporation Ltd. (ADCL), Vijayawada shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
PRINCIPAL SECRETARY TO GOVERNMENT (CRDA)

To
The Commissioner,
Andhra Pradesh State Capital Regional Development Authority,
Vijayawada
The Chairperson & Managing Director,
Amaravati Development Corporation Limited(ADC),
Ananda Heights, Beside Prabhas College, Kedareswarao pet,
Vijayawada.

Copy to:

PS to Chief Secretary/Principal Secretary to Hon'ble Chief Minister
The Chief Executive Officer,
Andhra Pradesh Economic Development Board,
Hyderabad.
P.S to Spl. Chief Secretaries/ Principal Secretaries/Secretaries of all Departments in AP Secretariat.
OSD to Hon'ble M(MA)
The PS to Hon'ble M(MA)
The PS to Hon'ble Minister for Finance
The PS to Chief Secretary
The Law Department
The Finance Department
The I&I Department
All the Departments in AP Secretariat, Velagapudi.
SF/SC.

//FORWARDED : : BY ORDER//

SECTION OFFICER